



July 1, 2011

EX PARTE

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92; High-Cost Universal Service Support, WC Docket No. 05-337; Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135; Connect America Fund, WC Docket No. 10-90; A National Broadband Plan for Our Future, GN Docket No. 09-51; Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link-Up, WC Docket No. 03-109

Dear Ms. Dortch:

On Wednesday, June 29, 2011, Eric Einhorn (Windstream), Melissa Newman (Century), Bob Quinn and Joel Lubin (AT&T), Michael Saperstein (Frontier), Kathy Grillo (Verizon) and I met with Angela Kronenberg (Office of Commissioner Clyburn), Margaret McCarthy (Office of Commissioner Copps) and Christine Kurth (Office of Commissioner McDowell). We discussed a framework for reform and modernization of today's universal service and intercarrier compensation systems. Under that framework, legacy support for voice networks would be carefully transitioned to explicit support for the construction and operation of broadband networks in high-cost areas within a budget of current USF support. In order to accomplish this objective, existing intercarrier rates would be harmonized and reduced, while solutions to reduce arbitrage would be implemented, and carriers with legacy obligations would be provided an opportunity to recover a substantial portion of revenue losses due to mandated rate reductions. Support for high-cost broadband networks would be provided on a more geographically targeted basis than is typical of today's legacy support program. Such support could be calculated using a forward-looking model as discussed in our ex parte of May 20, 2011.

Pursuant to Commission rules, please include a copy of this filing in each of the above-referenced dockets.

Sincerely,

Jonathan Banks

c: Angela Kronenberg
Margaret McCarthy
Christine Kurth